

CALIFORNIA FRANCHISE TAX BOARD

Legal Ruling No. 027

June 24, 1958

CLAIMS FOR REFUND: SUFFICIENCY

Syllabus:

The exact amount of a claim for refund need not be stated; it is sufficient where it is of such character and fortified by detail adequate to apprise the Franchise Tax Board of the basis of the claim, without being misleading.

Without going into detail, a reference to the various amounts shown on taxpayer's claim for refund indicate that taxpayer has confused the first and second year liabilities of a commencing corporation, and by so doing the specific amounts claimed are inadequate to cover the total amounts which have been overpaid. In each claim after the amount claimed on the claims for refund taxpayer inserted the words "or such amount as may be legally refundable, plus interest, as provided by law". Subsequent to the filing of the claims the statute of limitations has run as to the income year involved. Advice is requested whether the claims are adequate to cover all amounts overpaid for the taxable years in question.

In the instant case there is no question as to the basis of the taxpayer's claim. Amended returns showing the detailed computations of income were filed with the claims. It is obvious on the face of the claims that taxpayer is confused with respect to the first and second year liabilities. The original returns also showed a lack of understanding in this respect. Nevertheless, the periods covered are consecutive and inclusive, and we are advised of the basis for the claims and have not been misled. On the basis of the information supplied, the Franchise Tax Board has been able to calculate the overpayments. The fact that the amount stated to be refundable is less than the actual amount overpaid does not act as a limitation. There are a number of Federal cases to the effect that the exact amount of refund claimed is of little importance. Words of similar import as those used by taxpayer in his claims have been held to mean that for the period named in the refund claim the taxpayer may recover the amount of overpayment proved by him to have been made irrespective of the amount set forth in the claim. Consequently, the entire amount of overpayment should be refunded.